

AMENDED IN SENATE APRIL 23, 2013

AMENDED IN SENATE APRIL 17, 2013

AMENDED IN SENATE FEBRUARY 25, 2013

SENATE BILL

No. 2

Introduced by Senators Lieu and Yee

December 3, 2012

An act to amend Sections 84101, 84102, 84103, 84107, 84200, 84200.6, 84202.3, 84215, 84218, 84252, 84305.5, 84503, 84504, 84506, 84506.5, 84508, 84509, 84510, 85701, 85704, 90002, 90003, and 91013 of, to add Sections 84200.1, 84202.8, 84202.9, and 84503.5 to, to repeal Sections 84200.7, 84200.8, 84202.5, and 84202.7 of, and to repeal and add Section 84200.5 of, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 2, as amended, Lieu. Political Reform Act of 1974.

(1) Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing, including requiring the reporting of campaign contributions and expenditures and imposing other reporting and recordkeeping requirements on campaign committees. Existing law makes a knowing or willful violation of the act a misdemeanor and subjects offenders to criminal penalties. The act requires elected officers, candidates, committees, and slate mailer organizations to file semiannual reports, preelection statements, and supplemental preelection statements.

This bill would repeal these reporting requirements. This bill would establish quarterly statements, monthly statements, preelection

statements, postelection statements, and ~~cumulative~~ *year-end* statements for filing, as specified.

This bill would increase the fines for improperly reporting laundered or earmarked contributions to include a fine to be deposited into the Political Disclosure, Accountability, Transparency, and Access Fund, as specified. The bill would also increase the fines and penalties imposed on campaign statements and reports that are filed late.

(2) The act also regulates advertisements, which are defined as any general or public advertisement that is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures. The act places certain disclosure requirements on advertisements for or against any ballot measure, including that the advertisement disclose up to 2 persons who have made cumulative contributions of \$50,000 or more, as prescribed. The act places more specific disclosure requirements on broadcast or mass mailing advertisements that are paid for by independent expenditures that support or oppose a candidate or ballot measure. In addition to other penalties imposed by the act, a fine of up to triple the amount of the cost of an advertisement can be imposed on a person who violates the disclosure requirements for advertisements.

This bill would require that television, video, or audio broadcast advertisements supporting or opposing a candidate or soliciting contributions in support of that purpose that are authorized by a candidate include a specified disclosure statement made by the candidate.

The bill would increase to 4 the number of major donors of \$50,000 or more who must be disclosed in an advertisement by a committee for or against a ballot measure. The bill would require the name of a committee that supports or opposes a ballot measure to include the names of up to 4 major donors who have made cumulative contributions of \$50,000 or more. The bill would specify the amount of time in which a committee must update advertisement disclosures to reflect a change in the committee name that results from a change in the identity of the major donors who must be disclosed in an advertisement.

The bill would increase the maximum penalty for a violation of these provisions to 6 times the amount of the costs of the advertisement.

(3) The act regulates mass mailings, known as slate mailers, that support or oppose multiple candidates or ballot measures for an election. The act requires that each slate mailer identify the slate mailer organization or committee primarily formed to support or oppose one

or more ballot measures that is sending the slate mailer, and to contain other specified information in specified formatting. The act requires that each candidate and each ballot measure that has paid to appear in the slate mailer be designated by an asterisk.

This bill would additionally require that a candidate or ballot measure appearing in the slate mailer as a result of a payment made by a 3rd party be designated by an “@,” and would require the notice to voters included on a slate mailer be revised to describe this new requirement. The bill would require that a slate mailer that is produced in a language other than English provide the notice to voters in that same language. The bill would require that a slate mailer provide the notice in both English and another language if a substantial portion of a slate mailer is produced in the other language.

(4) The act requires a ballot measure committee, within 30 days of designating the numerical order of propositions appearing on the ballot, to identify itself as committee for or against that numbered proposition in all required references.

This bill would reduce the amount of time in which a ballot measure committee must reference itself as a committee for or against a numbered proposition to within 10 days of designating the numerical order of propositions.

(5) The act is administered and enforced by the Fair Political Practices Commission. The act authorizes the Commission to perform discretionary investigations and audits with respect to campaign and lobbying reports and statements that are filed with the Secretary of State. The act also authorizes any person residing in the jurisdiction to sue for injunctive relief to prevent violations or compel compliance with the act.

This bill would specify that the Commission may perform audits prior to the date of the election and prior to the date that a statement or report is required to be filed. The bill would authorize a person to challenge an audit by the Commission or any order resulting from an audit by seeking a writ of mandate, which would take priority over all other civil matters. The bill would specify that the Commission is authorized to seek an injunction to prevent a violation of or compel compliance with the act.

(6) The act makes a knowing or willful violation of its provisions a misdemeanor and subjects offenders to criminal penalties.

By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(7) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 84101 of the Government Code is
2 amended to read:
3 84101. (a) A committee that is a committee by virtue of
4 subdivision (a) of Section 82013 shall file a statement of
5 organization. The committee shall file the original of the statement
6 of organization with the Secretary of State and shall also file a
7 copy of the statement of organization with the local filing officer,
8 if any, with whom the committee is required to file the originals
9 of its campaign reports pursuant to Section 84215. The original
10 and copy of the statement of organization shall be filed within 10
11 days after the committee has qualified as a committee. The
12 Secretary of State shall assign a number to each committee that
13 files a statement of organization and shall notify the committee of
14 the number. The Secretary of State shall send a copy of statements
15 filed pursuant to this section to the county elections official of each
16 county that he or she deems appropriate. A county elections official
17 who receives a copy of a statement of organization from the
18 Secretary of State pursuant to this section shall send a copy of the
19 statement to the clerk of each city in the county that he or she
20 deems appropriate.
21 (b) In addition to filing the statement of organization as required
22 by subdivision (a), if a committee qualifies as a committee under
23 subdivision (a) of Section 82013 before the date of an election in
24 connection with which the committee is required to file preelection
25 statements, but after the closing date of the last campaign statement

1 required to be filed before the election pursuant to Section 84200.5
2 or 84200.9, the committee shall file, by facsimile transmission,
3 guaranteed overnight delivery, or personal delivery within 24 hours
4 of qualifying as a committee, the information required to be
5 reported in the statement of organization. The information required
6 by this subdivision shall be filed with the filing officer with whom
7 the committee is required to file the originals of its campaign
8 reports pursuant to Section 84215.

9 (c) If an independent expenditure committee qualifies as a
10 committee pursuant to subdivision (a) of Section 82013 during the
11 time period described in Section 82036.5 and makes independent
12 expenditures of one thousand dollars (\$1,000) or more to support
13 or oppose a candidate or candidates for office, the committee shall
14 file, by facsimile transmission, online transmission, guaranteed
15 overnight delivery, or personal delivery within 24 hours of
16 qualifying as a committee, the information required to be reported
17 in the statement of organization. The information required by this
18 section shall be filed with the filing officer with whom the
19 committee is required to file the original of its campaign reports
20 pursuant to Section 84215, and shall be filed at all locations
21 required for the candidate or candidates supported or opposed by
22 the independent expenditures. The filings required by this section
23 are in addition to filings that may be required by Sections 84203.5
24 and 84204.

25 (d) For purposes of this section, in calculating whether one
26 thousand dollars (\$1,000) in contributions has been received,
27 payments for a filing fee or for a statement of qualifications to
28 appear in a sample ballot shall not be included if these payments
29 have been made from the candidate's personal funds.

30 SEC. 2. Section 84102 of the Government Code is amended
31 to read:

32 84102. The statement of organization required by Section
33 84101 shall include all of the following:

34 (a) The name, street address, and telephone number, if any, of
35 the committee. In the case of a sponsored committee, the name of
36 the committee shall include the name of each sponsor. Whenever
37 a committee has more than one sponsor, and the sponsors are
38 members of an industry or other identifiable group, a term
39 identifying that industry or group shall also be included in the
40 name of the committee.

1 (b) In the case of a sponsored committee, the name, street
2 address, and telephone number of each sponsor.

3 (c) The full name, street address, and telephone number, if any,
4 of the treasurer and any other principal officers. A committee with
5 more than one principal officer shall identify its principal officers
6 as follows:

7 (1) A committee with three or fewer principal officers shall
8 identify all principal officers.

9 (2) A committee with more than three principal officers shall
10 identify no fewer than three principal officers.

11 If no individual other than the treasurer is a principal officer, the
12 treasurer shall be identified as both the treasurer and the principal
13 officer.

14 (d) The full name and office sought by any candidate, and the
15 title and ballot number, if any, of any measure, that the committee
16 supports or opposes as its primary activity. A committee that does
17 not support or oppose one or more candidates or ballot measures
18 as its primary activity shall provide a brief description of its
19 political activities, including whether it supports or opposes
20 candidates or measures and whether such candidates or measures
21 have common characteristics, such as a political party affiliation.

22 (e) A statement whether the committee is independent or
23 controlled and, if it is controlled, the name of each candidate or
24 state measure proponent by which it is controlled, or the name of
25 any controlled committee with which it acts jointly. If a committee
26 is controlled by a candidate for partisan office, the controlled
27 committee shall indicate the political party, if any, with which the
28 candidate is affiliated.

29 (f) For a committee that is a committee by virtue of subdivision
30 (a) or (b) of Section 82013, the name and address of the financial
31 institution where the committee has established an account and
32 the account number.

33 (g) Such other information as shall be required by the rules or
34 regulations of the Commission consistent with the purposes and
35 provisions of this chapter.

36 SEC. 3. Section 84103 of the Government Code is amended
37 to read:

38 84103. (a) Whenever there is a change in any of the
39 information contained in a statement of organization, an
40 amendment shall be filed within 10 days to reflect the change. The

1 committee shall file the original of the amendment with the
2 Secretary of State and shall also file a copy of the amendment with
3 the local filing officer, if any, with whom the committee is required
4 to file the originals of its campaign reports pursuant to Section
5 84215.

6 (b) In addition to filing an amendment to a statement of
7 organization as required by subdivision (a), a committee as defined
8 in subdivision (a) of Section 82013 shall, by facsimile transmission,
9 online transmission, guaranteed overnight delivery, or personal
10 delivery within 24 hours, notify the filing officer with whom it is
11 required to file the originals of its campaign reports pursuant to
12 Section 84215 when the change requiring the amendment occurs
13 before the date of the election in connection with which the
14 committee is required to file a preelection statement, but after the
15 closing date of the last preelection statement required to be filed
16 for the election pursuant to Section 84200.5, if any of the following
17 information is changed:

- 18 (1) The name of the committee.
19 (2) The name of the treasurer or other principal officers.
20 (3) The name of any candidate or committee by which the
21 committee is controlled or with which it acts jointly.

22 The notification shall include the changed information, the date
23 of the change, the name of the person providing the notification,
24 and the committee's name and identification number.

25 A committee may file a notification online only if the appropriate
26 filing officer is capable of receiving the notification in that manner.

27 SEC. 4. Section 84107 of the Government Code is amended
28 to read:

29 84107. Within 10 days of the designation of the numerical
30 order of propositions appearing on the ballot, any committee which
31 is primarily formed to support or oppose a ballot measure, shall,
32 if supporting the measure, include the statement, "a committee for
33 Proposition ____," or, if opposing the measure, include the
34 statement, "a committee against Proposition ____," in any reference
35 to the committee required by law.

36 SEC. 5. Section 84200 of the Government Code is amended
37 to read:

38 84200. (a) Except as *otherwise* provided in ~~subdivisions (b);~~
39 ~~(c), and (d), Members of the Legislature, the Board of~~
40 ~~Administration of the Public Employees' Retirement System or~~

1 ~~Teachers' Retirement Board, and all city and county elected~~
2 ~~officers, candidates for election to those offices, and committees~~
3 ~~pursuant to subdivision (a) of Section 82013 that are controlled~~
4 ~~by those officers or candidates~~ *this section and Section 84200.1,*
5 *elected officers, candidates, committees, and slate mailer*
6 *organizations* shall file quarterly statements each year, as follows:

7 (1) No later than April 15 for the period ending March 31.

8 (2) No later than July 15 for the period ending June 30.

9 (3) No later than October 15 for the period ending September
10 30.

11 (4) No later than January 15 for the period ending December
12 31.

13 (b) A candidate who, during the past three months has filed a
14 declaration pursuant to Section 84206 shall not be required to file
15 a quarterly statement for that three-month period.

16 (c) Elected officers whose salaries are less than two hundred
17 dollars (\$200) a month, judges, judicial candidates, and their
18 controlled committees shall not file quarterly statements pursuant
19 to this subdivision for any three-month period in which they have
20 not made or received any contributions or made any expenditures.

21 (d) A judge who is not listed on the ballot for reelection to, or
22 recall from, any elective office during a calendar year shall not
23 file quarterly statements pursuant to this subdivision for any
24 three-month period in that year if both of the following apply:

25 (1) The judge has not received any contributions.

26 (2) The only expenditures made by the judge during the calendar
27 year are contributions from the judge's personal funds to other
28 candidates or committees totaling less than one thousand dollars
29 (\$1,000).

30 ~~(e) All committees pursuant to subdivision (b) or (c) of Section~~
31 ~~82013 controlled by the elected officers or candidates described~~
32 ~~in subdivision (a) shall file quarterly campaign statements pursuant~~
33 ~~to the schedule described in subdivision (a) if they have made~~
34 ~~contributions or independent expenditures, including payments to~~
35 ~~a slate mailer organization, during the three-month period before~~
36 ~~the closing date of the statements.~~

37 *(e) A candidate, committee, or slate mailer organization that is*
38 *subject to the requirements of Section 84200.1 to file monthly*
39 *statements during an even-numbered year shall not be required*
40 *to file quarterly statements during an even-numbered year.*

SEC. 6. Section 84200.1 is added to the Government Code, to read:

84200.1. (a) (1) Except as provided in paragraph (2), during each even-numbered year, the following entities shall file a monthly statement no later than the 20th day after the conclusion of each calendar month for the period covering that calendar month:

(A) A ballot measure committee.

(B) A slate mailer organization.

(C) A committee not controlled by a candidate, if the candidate for whom the committee is primarily formed to support or oppose will appear on the ballot for the primary or general election held in that even-numbered year.

~~(D) A political party committee.~~

~~(E)~~

(D) A candidate for statewide elective office and the candidate's controlled committees, if the candidate for statewide elective office will appear on the ballot for the primary or general election held in that even-numbered year.

(2) An entity identified in paragraph (1) shall not be required to file a monthly statement for the period covering any month that is reported, in its entirety, in a postelection statement required pursuant to Section 84202.8.

(b) During each odd-numbered year in which an election occurs, the following entities shall file a monthly statement for the period covering each month in which the entity has spent one thousand dollars (\$1,000) or more to support or oppose a candidate or ballot measure in that election:

(1) A ballot measure committee primarily formed to support or oppose a ballot measure appearing on the ballot for the election.

(2) A slate mailer organization that produces a slate mailer supporting or opposing candidates or ballot measures appearing on the ballot for the election.

(3) A committee not controlled by a candidate, if the candidate for whom the committee is primarily formed to support or oppose will appear on the ballot for the election.

~~(4) A political party committee.~~

~~(5)~~

(4) A candidate for statewide elective office and the candidate's controlled committees, if the candidate for statewide elective office will appear on the ballot for the election.

(c) (1) *An elected official, candidate, committee, or slate mailer organization may elect to file monthly statements in the manner required by this section in lieu of filing quarterly statements required by Section 84200. Candidates and committees for state elective offices and state ballot measures that elect to file monthly statements shall file a statement in writing to that effect with the Commission and the Secretary of State. Candidates and committees for local elective offices and local ballot measures that elect to file monthly statements shall file a statement in writing to that effect with the local filing officer.*

(2) *An entity that elects to file monthly statements in lieu of quarterly statements shall file the monthly statement commencing with the month in which the notification is filed, continuing each month thereafter, and ending in December following the next regularly scheduled statewide general election.*

SEC. 7. Section 84200.5 of the Government Code is repealed.

SEC. 8. Section 84200.5 is added to the Government Code, to read:

84200.5. In addition to the campaign statements required by Sections 84200 and 84200.1, elected officers, candidates, and committees shall file preelection statements as follows:

(a) Each of the following shall file a preelection statement no later than 12 days before an election for the period ending 17 days before the election:

(1) All candidates for elective office being voted upon at an election, their controlled committees, and committees primarily formed to support or oppose a candidate or a measure being voted upon at the election.

(2) All elected state officers who, during the period covered by the preelection statement, make a contribution to any committee.

(3) All candidates for an office that is not being voted upon at the election, their controlled committees, and any committee primarily formed to support or oppose those candidates, if, during the reporting period covered by the preelection statement, the candidate or committee makes an independent expenditure or makes a contribution to a committee.

(4) A state or county general purpose committee formed pursuant to subdivision (a) or (b) of Section 82013, other than a political party committee as defined in Section 85205, if it makes contributions or independent expenditures totaling five hundred

1 dollars (\$500) or more during the period covered by the preelection
2 statement. A state or county general purpose committee formed
3 pursuant to subdivision (c) of Section 82013 is not required to file
4 a preelection statement.

5 (5) A political party committee as defined in Section 85205, if
6 the committee receives contributions totaling one thousand dollars
7 (\$1,000) or more, or if it makes contributions or independent
8 expenditures totaling five hundred dollars (\$500) or more, during
9 the period covered by the preelection statement.

10 (6) A city general purpose committee, if it makes contributions
11 or independent expenditures totaling five hundred dollars (\$500)
12 or more in connection with a city election during the period covered
13 by the preelection statement.

14 (b) During the election period for the Board of Administration
15 of the Public Employees' Retirement System or the Teachers'
16 Retirement Board, all candidates for election to these boards, their
17 controlled committees, and committees primarily formed to support
18 or oppose the candidates, shall file a preelection statement as
19 specified in Section 84200.9.

20 (c) Each preelection statement filed pursuant to subdivision (a)
21 shall be filed by guaranteed overnight delivery service, personal
22 delivery, or online or electronic transmission with each office with
23 which the candidate or committee is required to file its next
24 campaign statement pursuant to Section 84215.

25 SEC. 9. Section 84200.6 of the Government Code is amended
26 to read:

27 84200.6. In addition to the campaign statements required by
28 Sections 84200, 84200.1, and 84200.5, all candidates and
29 committees shall file the following special statements and reports:

30 (a) Postelection campaign statements when required by Section
31 84202.8.

32 (b) ~~Cumulative~~ *Year-end* campaign statements when required
33 by Section 84202.9.

34 (c) Late contribution reports when required by Section 84203.

35 (d) Independent expenditure reports when required by Section
36 84203.5.

37 (e) Late independent expenditure reports when required by
38 Section 84204.

39 SEC. 10. Section 84200.7 of the Government Code is repealed.

40 SEC. 11. Section 84200.8 of the Government Code is repealed.

1 SEC. 12. Section 84202.3 of the Government Code is amended
2 to read:

3 84202.3. (a) In addition to the campaign statements required
4 by Section 84200.1, committees pursuant to subdivision (a) of
5 Section 82013 that are primarily formed to support or oppose the
6 qualification, passage, or defeat of a measure and proponents of a
7 state ballot measure who control a committee formed or existing
8 primarily to support the qualification, passage, or defeat of a state
9 ballot measure, shall file campaign statements on the following
10 dates:

11 (1) No later than April 30 for the period January 1 through
12 March 31.

13 (2) No later than October 31 for the period July 1 through
14 September 30.

15 (b) This section shall not apply to a committee during any period
16 in which the committee is required to file preelection statements
17 pursuant to Section 84200.5.

18 (c) This section shall not apply to a committee following the
19 election at which the measure is voted upon unless the committee
20 makes contributions or expenditures to support or oppose the
21 qualification or passage of another ballot measure.

22 SEC. 13. Section 84202.5 of the Government Code is repealed.

23 SEC. 14. Section 84202.7 of the Government Code is repealed.

24 SEC. 15. Section 84202.8 is added to the Government Code,
25 to read:

26 84202.8. In addition to the campaign statements required by
27 Sections 84200, 84200.1, and 84200.5, elected officers, candidates,
28 and committees shall file a postelection campaign statement ~~on~~
29 ~~the 20th day of the month following the month in which the~~
30 ~~election occurred~~ *no later than the 30th day following an election*
31 *in which the officer or candidate sought election or in which the*
32 *officer, candidate, or committee supported or opposed a candidate*
33 *or ballot measure.* The postelection campaign statement shall cover
34 the time period starting the day after the closing date of the last
35 campaign statement required to be filed prior to the election and
36 ending on the ~~final calendar day of the month in which the election~~
37 ~~occurred~~ *20th day after that election.*

38 SEC. 16. Section 84202.9 is added to the Government Code,
39 to read:

1 84202.9. (a) During an even-numbered year, all candidates
2 for elective office to be voted upon in the statewide primary
3 election or statewide general election, their controlled committees,
4 committees formed primarily to support or oppose an elected state
5 officer or candidate for state elective office being voted upon at
6 the election, all committees formed primarily to support or oppose
7 a ballot measure to be voted upon at the statewide primary election
8 or statewide general election, and slate mailer organizations shall
9 file a ~~cumulative year-end~~ campaign statement. The ~~cumulative~~
10 ~~year-end~~ statement shall be filed by January 31 of the year
11 following the year of the election and shall cover the time period
12 starting ~~January 1 of the odd-numbered year preceding on the 21st~~
13 ~~day following~~ the election and ending December 31 of the year in
14 which the election occurred.

15 (b) *A candidate whose name appeared on a statewide primary*
16 *election ballot and that candidate's controlled committees shall*
17 *not be required to file a year-end statement if that candidate does*
18 *not receive sufficient votes to advance to the statewide general*
19 *election, unless the candidate or the candidate's controlled*
20 *committees expend funds to support or oppose another candidate*
21 *or a ballot measure that will be voted on at the statewide general*
22 *election. Nothing in this section shall be construed to alter*
23 *reporting requirements imposed by Sections 84200 and 84200.1.*

24 ~~(b)~~

25 (c) For purposes of special elections and elections in
26 odd-numbered years, all candidates, their controlled committees,
27 and committees primarily formed to support or oppose a candidate
28 or ballot measure shall be required to file ~~cumulative year-end~~
29 campaign statements on a date and for a time period determined
30 by the Commission by regulation.

31 SEC. 17. Section 84215 of the Government Code is amended
32 to read:

33 84215. All candidates and elected officers and their controlled
34 committees, except as provided in subdivisions (d) and (e), shall
35 file one copy of the campaign statements required by Section 84200
36 or 84200.1 with the elections official of the county in which the
37 candidate or elected official is domiciled, as defined in subdivision
38 (b) of Section 349 of the Elections Code. In addition, campaign
39 statements shall be filed at the following places:

1 (a) Statewide elected officers, including members of the State
2 Board of Equalization; Members of the Legislature; Supreme Court
3 justices, court of appeal justices, and superior court judges;
4 candidates for those offices and their controlled committees;
5 committees formed or existing primarily to support or oppose these
6 candidates, elected officers, justices and judges, or statewide
7 measures, or the qualification of state ballot measures; and all state
8 general purpose committees and filers not specified in subdivisions
9 (b) to (e), inclusive, shall file a campaign statement by online or
10 electronic means, as specified in Section 84605, and shall file the
11 original and one copy of the campaign statement in paper format
12 with the Secretary of State.

13 (b) Elected officers in jurisdictions other than legislative
14 districts, State Board of Equalization districts, or appellate court
15 districts that contain parts of two or more counties, candidates for
16 these offices, their controlled committees, and committees formed
17 or existing primarily to support or oppose candidates or local
18 measures to be voted upon in one of these jurisdictions shall file
19 the original and one copy with the elections official of the county
20 with the largest number of registered voters in the jurisdiction.

21 (c) County elected officers, candidates for these offices, their
22 controlled committees, committees formed or existing primarily
23 to support or oppose candidates or local measures to be voted upon
24 in any number of jurisdictions within one county, other than those
25 specified in subdivision (d), and county general purpose
26 committees shall file the original and one copy with the elections
27 official of the county.

28 (d) City elected officers, candidates for city office, their
29 controlled committees, committees formed or existing primarily
30 to support or oppose candidates or local measures to be voted upon
31 in one city, and city general purpose committees shall file the
32 original and one copy with the clerk of the city and are not required
33 to file with the local elections official of the county in which they
34 are domiciled.

35 (e) Elected members of the Board of Administration of the
36 Public Employees' Retirement System, elected members of the
37 Teachers' Retirement Board, candidates for these offices, their
38 controlled committees, and committees formed or existing
39 primarily to support or oppose these candidates or elected members
40 shall file the original and one copy with the Secretary of State, and

1 a copy shall be filed at the relevant board's office in Sacramento.
2 These elected officers, candidates, and committees need not file
3 with the elections official of the county in which they are
4 domiciled.

5 (f) Notwithstanding any other provision of this section, a
6 committee, candidate, or elected officer is not required to file more
7 than the original and one copy, or one copy, of a campaign
8 statement with any one county elections official or city clerk or
9 with the Secretary of State.

10 (g) If a committee is required to file campaign statements
11 required by Section 84200, 84200.1, or 84200.5 in places
12 designated in subdivisions (a) to (d), inclusive, it shall continue to
13 file these statements in those places, in addition to any other places
14 required by this title, until the end of the calendar year.

15 SEC. 18. Section 84218 of the Government Code is amended
16 to read:

17 84218. (a) A slate mailer organization shall file monthly
18 campaign statements, as specified in Section 84200.1. A slate
19 mailer organization shall also file quarterly statements in an
20 odd-numbered year, at the same time and covering the same periods
21 identified in subdivision (a) of Section 84200.

22 (b) A slate mailer organization shall file two copies of its
23 campaign reports with the clerk of the county in which it is
24 domiciled. The campaign report shall be filed by online
25 transmission if the clerk of the county authorizes filing by online
26 transmission. A slate mailer organization is domiciled at the address
27 listed on its statement of organization unless it is domiciled outside
28 California, in which case its domicile shall be deemed to be Los
29 Angeles County for purposes of this section.

30 In addition, slate mailer organizations shall file campaign reports
31 as follows:

32 (1) A slate mailer organization which produces one or more
33 slate mailers supporting or opposing candidates or measures voted
34 on in a state election, or in more than one county, shall file
35 campaign reports in the same manner as state general purpose
36 committees pursuant to subdivision (a) of Section 84215.

37 (2) A slate mailer organization which produces one or more
38 slate mailers supporting or opposing candidates or measures voted
39 on in only one county, or in more than one jurisdiction within one
40 county, shall file campaign reports in the same manner as county

1 general purpose committees pursuant to subdivision (c) of Section
2 84215.

3 (3) A slate mailer organization which produces one or more
4 slate mailers supporting or opposing candidates or measures voted
5 on in only one city shall file campaign reports in the same manner
6 as city general purpose committees pursuant to subdivision (d) of
7 Section 84215.

8 (4) Notwithstanding the above, no slate mailer organization
9 shall be required to file more than the original and one copy, or
10 two copies, of a campaign report with any one county or city clerk
11 or with the Secretary of State.

12 SEC. 19. Section 84252 of the Government Code is amended
13 to read:

14 84252. (a) A committee primarily formed to support or oppose
15 a LAFCO proposal shall file all statements required under this
16 chapter except that, in lieu of the statements required by Sections
17 84200, 84200.1, and 84202.3, the committee shall file monthly
18 campaign statements from the time circulation of a petition begins
19 until a measure is placed on the ballot or, if a measure is not placed
20 on the ballot, until the committee is terminated pursuant to Section
21 84214. The committee shall file an original and one copy of each
22 statement on the 15th day of each calendar month, covering the
23 prior calendar month, with the clerk of the county in which the
24 measure may be voted on. If the petition results in a measure that
25 is placed on the ballot, the committee thereafter shall file campaign
26 statements required by this chapter.

27 (b) In addition to any other statements required by this chapter,
28 a committee that makes independent expenditures in connection
29 with a LAFCO proposal shall file statements pursuant to Section
30 84203.5.

31 SEC. 20. Section 84305.5 of the Government Code is amended
32 to read:

33 84305.5. (a) No slate mailer organization or committee
34 primarily formed to support or oppose one or more ballot measures
35 shall send a slate mailer unless:

36 (1) The name, street address, and city of the slate mailer
37 organization or committee primarily formed to support or oppose
38 one or more ballot measures are shown on the outside of each piece
39 of slate mail and on at least one of the inserts included with each
40 piece of slate mail in no less than 8-point roman type which shall

1 be in a color or print which contrasts with the background so as
2 to be easily legible. A post office box may be stated in lieu of a
3 street address if the street address of the slate mailer organization
4 or the committee primarily formed to support or oppose one or
5 more ballot measure is a matter of public record with the Secretary
6 of State's Political Reform Division.

7 (2) At the top or bottom of the front side or surface of at least
8 one insert or at the top or bottom of one side or surface of a
9 postcard or other self-mailer, there is a notice in at least 8-point
10 roman boldface type, which shall be in a color or print which
11 contrasts with the background so as to be easily legible, and in a
12 printed or drawn box and set apart from any other printed matter.
13 The notice shall consist of the following statement:

14
15
16 NOTICE TO VOTERS
17

18 THIS DOCUMENT WAS PREPARED BY (name of slate mailer
19 organization or committee primarily formed to support or oppose one or
20 more ballot measures), NOT AN OFFICIAL POLITICAL PARTY
21 ORGANIZATION. Appearance in this mailer does not necessarily imply
22 endorsement of others appearing in this mailer, nor does it imply
23 endorsement of, or opposition to, any issues set forth in this mailer. Each
24 item designated by an * has been paid for and authorized by the candidate
25 or ballot measure indicated. Each item designated by an @ has been paid
26 for by a person other than the candidate or ballot measure.
27
28

29 (3) The name, street address, city, and Internet Web site address,
30 if any, of the slate mailer organization or committee primarily
31 formed to support or oppose one or more ballot measures as
32 required by paragraph (1) and the notice required by paragraph
33 (2) may appear on the same side or surface of an insert.

34 (4) Each candidate and each ballot measure that has paid to
35 appear in the slate mailer is designated by an *. Each candidate
36 and ballot measure whose appearance has been paid for by a third
37 party is designated by an @. Any candidate or ballot measure that
38 has not paid to appear in the slate mailer, and whose appearance
39 has not been paid for by a third party, is not designated by an * or
40 @.

1 The * and @ required by this subdivision shall be of the same
2 type size, type style, color or contrast, and legibility as is used for
3 the name of the candidate or the ballot measure name or number
4 and position advocated to which the * or @ designation applies
5 except that in no case shall the * and @ be required to be larger
6 than 10-point boldface type. The designation shall immediately
7 follow the name of the candidate, or the name or number and
8 position advocated on the ballot measure where the designation
9 appears in the slate of candidates and measures. If there is no slate
10 listing, the designation shall appear at least once in at least 8-point
11 boldface type, immediately following the name of the candidate,
12 or the name or number and position advocated on the ballot
13 measure.

14 (5) The name of any candidate appearing in the slate mailer
15 who is a member of a political party differing from the political
16 party which the mailer appears by representation or indicia to
17 represent is accompanied, immediately below the name, by the
18 party designation of the candidate, in no less than 9-point roman
19 type which shall be in a color or print that contrasts with the
20 background so as to be easily legible. The designation shall not
21 be required in the case of candidates for nonpartisan office.

22 (6) If a slate mailer is produced entirely in a language other than
23 English, the notice to voters required pursuant to paragraph (2)
24 shall be produced in that language. If a substantial portion of a
25 slate mailer, as determined by the Commission by regulation, is
26 in a language other than English, the notice to voters required
27 pursuant to paragraph (2) shall be produced in both English and
28 the other language.

29 (b) For purposes of the designations required by paragraph (4)
30 of subdivision (a), the payment of any sum made reportable by
31 subdivision (c) of Section 84219 by or at the behest of a candidate
32 or committee, whose name or position appears in the mailer, to
33 the slate mailer organization or committee primarily formed to
34 support or oppose one or more ballot measures, shall constitute a
35 payment to appear, requiring the * designation. The payment shall
36 also be deemed to constitute authorization to appear in the mailer.

37 SEC. 21. Section 84503 of the Government Code is amended
38 to read:

39 84503. (a) Any advertisement for or against any ballot measure
40 shall include a disclosure statement identifying any person whose

1 cumulative contributions are fifty thousand dollars (\$50,000) or
2 more.

3 (b) If there are more than four donors of fifty thousand dollars
4 (\$50,000) or more, the committee is only required to disclose the
5 four highest donors in descending order, beginning with the donor
6 who has made the largest cumulative contributions. In the event
7 that more than four donors meet this disclosure threshold at
8 identical contribution levels, the four highest donors shall be
9 selected according to chronological sequence.

10 SEC. 22. Section 84503.5 is added to the Government Code,
11 to read:

12 84503.5. (a) A television or video broadcast advertisement
13 that supports or opposes a candidate or solicits contributions in
14 support of that purpose shall, if the advertisement is authorized by
15 a candidate or an agent of the candidate, include a statement in
16 which the candidate identifies himself or herself and states that
17 the candidate has approved the message. The candidate statement
18 shall be made using an unobscured, full-screen video of the
19 candidate making the statement, or by using an unobscured,
20 full-screen, and clearly identifiable photographic image of the
21 candidate that is displayed during an audio voiceover of the
22 candidate reading the statement.

23 (b) An audio broadcast advertisement that supports or opposes
24 a candidate or solicits contributions in support of that purpose
25 shall, if the advertisement is authorized by a candidate or an agent
26 of the candidate, include an audio statement in which the candidate
27 identifies himself or herself and states that the candidate has
28 approved the message.

29 SEC. 23. Section 84504 of the Government Code is amended
30 to read:

31 84504. (a) (1) Any committee that supports or opposes one
32 or more ballot measures shall name and identify itself using the
33 names of its major donors of fifty thousand dollars (\$50,000) or
34 more in any reference to the committee required by law, including,
35 but not limited, to its statement of organization filed pursuant to
36 Section 84101.

37 (2) Any committee that is required to include the names of its
38 major donors of fifty thousand dollars (\$50,000) or more in the
39 name of the committee shall identify the top donors, not to exceed
40 the four largest donors, in descending order starting with the donor

1 who has made the largest cumulative contribution to the committee.
2 The identification of major donors of fifty thousand dollars
3 (\$50,000) or more shall precede the identification of, or reference
4 to, any other persons who support or oppose the ballot measure.

5 (b) If the major donors of fifty thousand dollars (\$50,000) or
6 more share a common employer, the identity of the employer shall
7 also be disclosed.

8 (c) Any committee which supports or opposes a ballot measure,
9 shall print or broadcast its name as provided in this section as part
10 of any advertisement or other paid public statement.

11 (d) If candidates or their controlled committees, as a group or
12 individually, meet the contribution thresholds for a person, they
13 shall be identified by the controlling candidate's name.

14 SEC. 24. Section 84506 of the Government Code is amended
15 to read:

16 84506. (a) An advertisement supporting or opposing a
17 candidate or ballot measure, that is paid for by an independent
18 expenditure, shall include a disclosure statement that identifies
19 both of the following:

20 (1) The name of the committee making the independent
21 expenditure.

22 (2) The names of the persons from whom the committee making
23 the independent expenditure has received its four highest
24 cumulative contributions of fifty thousand dollars (\$50,000) or
25 more during the 12-month period prior to the expenditure. If the
26 committee can show, on the basis that contributions are spent in
27 the order they are received, that contributions received from the
28 four highest contributors have been used for expenditures unrelated
29 to the candidate or ballot measure featured in the communication,
30 the committee shall disclose the contributors making the next
31 largest cumulative contributions of fifty thousand dollars (\$50,000)
32 or more.

33 (b) If an acronym is used to identify any committee names
34 required by this section, the names of any sponsoring organization
35 of the committee shall be printed on print advertisements or spoken
36 in broadcast advertisements.

37 SEC. 25. Section 84506.5 of the Government Code is amended
38 to read:

39 84506.5. An advertisement supporting or opposing a candidate
40 that is paid for by an independent expenditure must include a

1 statement that it was an independent expenditure not authorized
2 by a candidate or a committee controlled by a candidate.

3 SEC. 26. Section 84508 of the Government Code is amended
4 to read:

5 84508. If disclosure of four major donors is required by
6 Sections 84503 and 84506, the committee shall be required to
7 disclose, in addition to the committee name, only its highest major
8 contributor in any advertisement which is either of the following:

9 (a) An electronic broadcast of 15 seconds or less.

10 (b) A newspaper, magazine, or other public print media
11 advertisement which is 20 square inches or less.

12 SEC. 27. Section 84509 of the Government Code is amended
13 to read:

14 84509. (a) When a committee files an amended campaign
15 statement pursuant to Section 81004.5, the committee shall change
16 its advertisements to reflect the changed disclosure information.

17 (b) If an amended campaign statement must be filed to reflect
18 a change in the name of the committee to identify a new major
19 donor of fifty thousand dollars (\$50,000) or more, then the
20 disclosure on advertisements shall be amended as follows:

21 (1) A television, radio, or other electronic media advertisement
22 shall be amended to reflect the new committee name within three
23 calendar days.

24 (2) A print media advertisement, including billboards, shall be
25 updated to reflect the new committee name prior to placing a new
26 or modified order for additional printing of the advertisement.

27 SEC. 28. Section 84510 of the Government Code is amended
28 to read:

29 84510. (a) In addition to the remedies provided for in Chapter
30 11 (commencing with Section 91000) of this title, any person who
31 violates this article is liable in a civil or administrative action
32 brought by the commission or any person for a fine up to six times
33 the cost of the advertisement, including placement costs.

34 (b) The remedies provided in subdivision (a) shall also apply
35 to any person who purposely causes any other person to violate
36 any provision of this article or who aids and abets any other person
37 in a violation.

38 (c) If a judgment is entered against the defendant or defendants
39 in an action brought under this section, the plaintiff shall receive
40 50 percent of the amount recovered. The remaining 50 percent

1 shall be deposited in the General Fund of the state. In an action
2 brought by a local civil prosecutor, 50 percent shall be deposited
3 in the account of the agency bringing the action and 50 percent
4 shall be paid to the General Fund of the state.

5 SEC. 29. Section 85701 of the Government Code is amended
6 to read:

7 85701. Any candidate or committee that receives a contribution
8 in violation of Section 84301 shall pay to the General Fund of the
9 state the amount of the contribution and pay to the Political
10 Disclosure, Accountability, Transparency, and Access Fund a fine
11 in the amount of 15 percent of the contribution.

12 SEC. 30. Section 85704 of the Government Code is amended
13 to read:

14 85704. A person may not make any contribution to a committee
15 on the condition or with the agreement that it will be contributed
16 to any particular candidate or ballot measure committee unless the
17 contribution is fully disclosed pursuant to Section 84302. A person
18 who makes a contribution to a committee that violates this section
19 shall pay to the General Fund of the state the amount of the
20 contribution and pay to the Political Disclosure, Accountability,
21 Transparency, and Access Fund a fine in the amount of 15 percent
22 of the contribution.

23 SEC. 31. Section 90002 of the Government Code is amended
24 to read:

25 90002. (a) Audits and investigations of lobbying firms and
26 lobbyist employers shall be performed on a biennial basis and shall
27 cover reports filed during a period of two years.

28 (b) If a lobbying firm or lobbyist employer keeps a separate
29 account for all receipts and payments for which reporting is
30 required by this chapter, the requirement of an audit under
31 subdivision (a) of Section 90001 shall be satisfied by an audit of
32 that account and the supporting documentation required to be
33 maintained by Section 86110.

34 (c) No audit or investigation of any candidate, controlled
35 committee, or committee primarily supporting or opposing a
36 candidate or a measure in connection with a report or statement
37 required by Chapter 4 of this title, shall begin until after the last
38 date for filing the first report or statement following the general,
39 runoff or special election for the office for which the candidate
40 ran, or following the election at which the measure was adopted

1 or defeated, except that audits and investigations of statewide
2 candidates, their controlled committees, and committees primarily
3 supporting or opposing those statewide candidates who were
4 defeated in the primary election and who are not required to file
5 statements for the general election may begin after the last date
6 for filing the first report or statement following the primary
7 election. When the campaign statements or reports of a candidate,
8 controlled committee, or a committee primarily supporting or
9 opposing a candidate are audited and investigated pursuant to
10 Section 90001, the audit and investigation shall cover all campaign
11 statements and reports filed for the primary and general or special
12 or runoff elections and any previous campaign statement or report
13 filed pursuant to Section 84200, 84200.1, or 84200.5 since the last
14 election for that office, but shall exclude any statements or reports
15 which have previously been audited pursuant to Section 90001 or
16 90003. When the campaign statements or reports of a committee
17 primarily supporting or opposing a measure are audited and
18 investigated, the audit and investigation shall cover all campaign
19 statements and reports from the beginning date of the first
20 campaign statement filed by the committee in connection with the
21 measure. For all other committees, the audit and investigation shall
22 cover all campaign statements filed during the previous two
23 calendar years.

24 SEC. 32. Section 90003 of the Government Code is amended
25 to read:

26 90003. (a) In addition to the audits and investigations required
27 by Section 90001, the Franchise Tax Board and the Commission
28 may make investigations and audits with respect to any reports or
29 statements required by Chapter 4 (commencing with Section
30 84100), Chapter 5 (commencing with Section 85100), or Chapter
31 6 (commencing with Section 86100).

32 (b) (1) Nothing in this chapter shall be construed to prohibit
33 the Commission from undertaking any audit authorized by this
34 section prior to the date of the election or prior to the date upon
35 which the report or statement is required to be filed. A candidate
36 or committee shall, during the audit, make all relevant records
37 available for immediate review by the Commission.

38 (2) A person who is subject to an audit authorized by this section
39 may contest the performance of the audit or an order issued by the
40 Commission as a result of an audit by seeking a writ of mandate.

1 Venue for the proceeding shall be exclusively in the County of
2 Sacramento. The action shall be given priority over all other civil
3 matters.

4 (3) In addition to any other remedies available to the
5 Commission, including injunctive relief pursuant to Section 91003,
6 the Commission may seek an injunction pursuant to Title 7
7 (commencing with Section 501) of Part 2 of the Code of Civil
8 Procedure to compel a person who is subject to an audit authorized
9 by this section to cooperate with the Commission in the
10 performance of the audit or to compel compliance with an order
11 of the Commission resulting from the audit. Notwithstanding any
12 other law, an appeal of an injunction issued in favor of the
13 Commission shall not result in a mandatory stay pending the
14 resolution of the appeal. A stay of an injunction pending resolution
15 of the appeal may be ordered at the discretion of the court issuing
16 the injunction.

17 SEC. 33. Section 91013 of the Government Code is amended
18 to read:

19 91013. (a) If a person files an original statement or report after
20 the applicable deadline imposed by this title, he or she shall, in
21 addition to any other penalties or remedies established by this title,
22 be liable in the amount of thirty dollars (\$30) per day after the
23 deadline until the statement or report is filed, to the officer with
24 whom the statement or report is required to be filed. Liability need
25 not be enforced by the filing officer if, on an impartial basis, he
26 or she determines that the late filing was not willful and that
27 enforcement of the liability will not further the purposes of this
28 title, except that no liability shall be waived if a statement or report
29 is not filed within 30 days for a statement of economic interest,
30 other than a candidate's statement filed pursuant to Section 87201,
31 five days for a campaign statement required to be filed 12 days
32 before an election, and 10 days for all other statements or reports,
33 after the filing officer has sent specific written notice of the filing
34 requirement.

35 (b) If a person files a copy of a statement or report after the
36 applicable deadline imposed by this title, he or she shall, in addition
37 to any other penalties or remedies established by this title, be liable
38 in the amount of thirty dollars (\$30) per day, starting 10 days, or
39 five days in the case of a campaign statement required to be filed
40 12 days before an election, after the filing officer has sent specific

1 written notice of the filing requirement and until the statement or
2 report is filed.

3 (c) The filing officer shall deposit any funds received under this
4 section into the general fund of the jurisdiction of which he or she
5 is an officer. No liability under this section shall exceed 150 percent
6 of the cumulative amount stated in the late statement or report, or
7 one thousand dollars (\$1,000), whichever is greater.

8 SEC. 34. No reimbursement is required by this act pursuant to
9 Section 6 of Article XIII B of the California Constitution because
10 the only costs that may be incurred by a local agency or school
11 district will be incurred because this act creates a new crime or
12 infraction, eliminates a crime or infraction, or changes the penalty
13 for a crime or infraction, within the meaning of Section 17556 of
14 the Government Code, or changes the definition of a crime within
15 the meaning of Section 6 of Article XIII B of the California
16 Constitution.

17 SEC. 35. The Legislature finds and declares that this bill
18 furthers the purposes of the Political Reform Act of 1974 within
19 the meaning of subdivision (a) of Section 81012 of the Government
20 Code.